

STATE OF WISCONSIN
DEPARTMENT OF HEALTH AND SOCIAL SERVICES
DIVISION OF MANAGEMENT SERVICES
BUREAU OF FISCAL SERVICES

ACCOUNTING PROCEDURE

TOPIC: Institution Accounting 2.1	EFFECTIVE DATE: 6/1/83
TITLE: Store Inventory Reconciliation	REVISION DATE: 10/31/92
AUTHORIZED BY: Cheryl Thompson, Deputy Director	PAGE 1 OF 5

BACKGROUND

The annual store accounts reconciliation will be based on a April 30 physical inventory in order to allow that reconciliation to be completed before other June 30 closing activities occur. To enable each organization to conduct store reconciliation activity throughout the year and thereby reduce problems during the April reconciliation activity, the Bureau of Fiscal Services (BFS) will submit interim store ledger balances as of October and January of each fiscal year.

PROCEDURES

1. Each organization shall take a physical inventory of their stores as of April 30. The April physical inventory store report will have the following: Name of Institution, Appropriation, Account Number, Account Classification, R/A, Item Description, Unit by Type (case, can, bushel, etc.), Size (case of 6, 12, 24 or #10 can, etc.), Number of Units, Unit Price, Unit Total (number times price) and Grand Total.

Special care must be taken to ensure all purchases are recorded on the stores records as the goods are received. This activity must occur even though the invoice paying for these items may not have been processed for payment. Failure to do so will result in the recorded issues creating an unacceptable negative inventory value.

2. In mid-May, the Bureau of Fiscal Services will provide each organization the final ledger values of their store accounts. In most cases the store accounts are recorded in responsibility area 071. However, certain organizations may also be using areas 075 and 077. Separate sheets will be utilized for each responsibility area's activity.

The information will be provided to you in the format shown on the attached sheet. Please select only those lines that pertain to store accounts within each appropriation. A brief explanation of each column is as follows:

- a. 4 digit account -- Identifies the characters the computer uses to select the proper account for columns (2) and (3).

- b. 5 digit account -- Represents expense account for current year store purchases.
 - c. 5 digit account -- Represents asset account to select prior fiscal period ending store account balance.
 - d. Assets -- Represents the dollar value of store account balances brought forward from the prior fiscal year.
 - e. Expenditures -- Represents the dollar value of current year store account purchases as of April 30.
 - f. Total -- Represents your book value of your store accounts as of April 30. (Column 4 + Column 5). Reconcile this amount to your physical store account inventory.
3. Each organization shall reconcile the April physical inventory to the April book values by using the Form DMS-762 Store Inventory Reconciliation Worksheet (Form DMS-762 can be ordered from the Forms Center). To accomplish your reconciliation, it may be necessary to account for items that were included on your physical inventory as of April 30 but were not paid for until later. Those on ledger adjustments should be recorded as an addition on the Stores Inventory Reconciliation Worksheet (See page 4 of 5, item A).
- If any adjustment, increase or decrease, is not on ledger, a journal voucher must be prepared (see attached example, page 5 of 5). Record the adjustment on the Stores Inventory Reconciliation Worksheet (see page 4 of 5, item B). Debits on your journal voucher will be recorded as additions on the Reconciliation Worksheet. Credits on your journal voucher will be recorded as deductions on the Reconciliation Worksheet.
- Any adjustment in any account in excess of \$500 will require a detailed explanation.
4. Each organization shall have the April 30 physical inventory stores report, reconciliation worksheet (example attached), and the necessary journal vouchers, completed and returned to the Bureau of Fiscal Services by June 17.

ATTACHMENTS

- 1 DMS-762 (State Inventory Reconciliation Worksheet)
- 2 DMS-122 (Journal Voucher)--store reconciliation entries
- 3 Stores Inventory Report, per FMS.

CONTACT PERSON

Your Lead Accountant in BFS

STORE INVENTORY RECONCILIATION WORKSHEET

INSTRUCTIONS: See Accounting Policies and Procedures, Institution Accounting 2.1.

Institution Name		Appropriation		Responsibility Area	
Fox Lake Correctional		301		071	
Account Number	Explanations	Document Reference Number	Additions	Deductions	Balance
			\$ Amount	\$ Amount	\$ Amount
617600	Book Balance submitted to you	4-30-88			\$ 845.98
317600					
(A)	Purchase recorded in Month of May	05009	\$ 146.25		
(A)	Purchase recorded in Month of May	05072	76.00		
(A)	Purchase recorded in Month of May	05083	.41		
(A)	Purchase recorded in Month of May	05095	35.60		
(B)	Correct JV 20047 should be \$1,059.80 not \$1,959.80	20063	900.00		
(B)	VO 02103 recorded in store should be expense	20063		\$592.89	
	Total Addition		\$1,158.26		\$ 1,158.26
	Total Deductions			\$592.89	-592.89
	Reconciled to physical				\$ 1,411.35
A	Vouchers processed for payment in month of May but on April physical store report.				
B	Adjustment journal voucher submitted with April physical inventory.				

Division of Management Services
DMS-122 (Rev. 8/90)

JOURNAL VOUCHER

FY 8	Journal Voucher Number 20063	<input checked="" type="checkbox"/> AN <input type="checkbox"/> AM <input type="checkbox"/> AD <input type="checkbox"/> AW	Comments/Notations April Store Reconciliation	Prepared By _____ Date _____ Division/Institution Approval _____ Date _____ General Accounting Approval _____ Date _____ Pre-Audit Approval _____ Date _____
Org. # 321	Organization Name Waupun Correctional Inst.			
Net Amount - 0 -		Appropriation 301	Data Type 1	Debit/Credit Code Debit = 00 Credit = 40

Line	Appn.	Account	Center			Amount	Debit/ Credit Code*	Description	Cross Ref.	Error Message Code
1	301	31760	3121	000	071	900.00	00	Correct J.V. 20047 should be \$1,0598		
2	301	31760	3121	000	010	900.00	40			
3	301	31760	3121	000	071	592.89	40	V.O. 02130 report to store and should be an		
4	301	31760	3121	000	310	592.89	00	expense		
5						.				
6						.				
7						.				
8						.				
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13						.				
14						.				
15						.				

Entered By _____	Date _____	Total This Page (Optional) _____	Distribution: Original - BFS Copy - Organization	Page _____ of _____
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ATTACHMENT 3

ASSET ACCOUNTS AND EXPENDITURES OCTOBER, 1987
RUN FOR DOC AND DCTF

16:53 THURSDAY, DECEMBER 10, 1987

CENTER=2216000071

APPROP	(1) 4 DIGIT ACCOUNT	(2) 5 DIGIT ACCOUNT	(3) 5 DIGIT ACCOUNT	(4) ASSETS	(5) EXPENDITURES	(6) TOTAL
228	1660	31660	61660	\$947.78	\$-98.97	\$848.81
228	2900	32900	62900	\$4,498.36	\$2,796.87	\$7,295.23
228	3610	33610	63610	\$243.89	\$-13.81	\$230.08
228	3620	33620	63620	\$732.92	\$763.05	\$1,495.97
228	4100	34100	64100	\$14,115.78	\$4,775.57	\$18,891.35
228	4200	34200	64200	\$6,236.14	\$0.00	\$6,236.14
228	4200	34200	64200	\$6,236.14	\$4,059.79	\$10,295.93
228	4300	34300	64300	\$60,792.71	\$0.00	\$60,792.71
228	4300	34300	64300	\$60,792.71	\$6,343.41	\$67,136.12
228	4400	34400	64400	\$1,133.51	\$361.88	\$1,495.39
228	4410	34410	64410	\$3,612.97	\$7,777.99	\$11,390.96
228	4420	34420	64420	\$3,617.02	\$-58.95	\$3,558.07
228	4430	34430	64430	\$2,863.07	\$1,474.62	\$4,337.69
228	4530	34530	64530	\$2,823.28	\$335.52	\$3,158.80
228	5110	35110	65110	\$590.49	\$426.15	\$1,016.64
228	6220	36220	66220	\$191,086.43	\$10,845.69	\$201,932.12
228	6510	36510	66510	\$42,119.42	\$17,026.54	\$59,145.96
228	6520	36520	66520	\$278.24	\$216.00	\$494.24
228	7300	37300	67300	\$306.76	\$573.42	\$880.18
228	7490	37490	67490	\$6,779.79	\$2,361.43	\$9,141.22
228	7510	27510		\$0.00	\$1.25	\$1.25
228	9200	39200	69200	\$849.51	\$-335.85	\$513.66
228	9900	39900	69900	\$3,457.40	\$-323.22	\$3,134.18
901	6220	36220	66220	\$26,739.87	\$-2,677.00	\$24,062.87
901	9910	39910	69910	\$486.47	\$0.00	\$486.47